

ASX RELEASE

(ASX: AW1)

American West
Metals Limited 

28 April 2022

ASX Limited
Level 40 Central Park
152-158 St Georges Terrace
PERTH WA 6000

AMERICAN WEST METALS LIMITED: ASX AWARE LETTER RESPONSE

American West Metals Limited (ASX: AW1) (**American West** or the **Company**) refers to ASX's aware letter dated 26 April 2022 (**Aware Letter**) and provide the following responses.

Capitalised terms used in these responses have the same meaning given in the Aware Letter.

(1) In its answer to Question 1 in the Price Query Response, AW1 stated that: 'On Friday 22 April 2022, American West was not aware of any information concerning the Company that had not been announced and which, if known, may reasonably be regarded as an explanation for recent trading in the Company's securities'. Please explain:

(a) How the information about the drill core from hole WD22-01 appeared in the Twitter Post?; and

The Company's Twitter account is managed by the Company's external investor relations consultant as part of a digital investor engagement strategy approved by the Company's Senior Management (comprising the Managing Director and Chairman of American West).

The information in relation to the Twitter Post is the same as information previously issued by the Company in the ASX release dated 14 February 2022 entitled *Extensive Mineralisation Identified at West Desert*. In that ASX release, the Company reported visual geological logging of drill hole WD22-01 and outlined the extensive intervals of strong mineralisation in the drill core.

That ASX release also included as Figure 2 a photo of drill core from WD22-01 which showed visual chalcopyrite (copper) that is representative of many of the zones of mineralisation within the drill hole. The photo in the Twitter Post shows approximately 15cm of drill core that is very similar in composition to the photo in the ASX release.



The ASX release of 4 February 2022 described in detail a total of 288m of mineralisation visually logged in WD22-01. The photo in the Twitter Post showed 15cm of drill core.

(b) What arrangements does AW1 have in place to ensure compliance with Listing Rule 15.7?

The Company is, and always has been, mindful of its obligation to comply with Listing Rule 15.7.

The Company has a strict protocol managed by its Senior Management to ensure that information released on its social media platforms has already been released to the market.

Senior Management of the Company reviews all Twitter posts before they are released and ensures that the information in posts is information that has previously been released to the market through the Company's ASX market announcement platform.

(2) If the current arrangements are inadequate or not being enforced, what additional steps does AW1 intend to take to ensure compliance with Listing Rule 15.7?

American West believes that its current processes are adequate and are being complied with.

The Company notes that the Twitter Post went through the Company's continuous disclosure procedures before being released to ensure that the information in the Twitter Post would not breach the ASX Listing Rules.

(3) Was the Twitter Post made in accordance with AW1's Continuous Disclosure Policy?

Yes, the Twitter Post contained information already released to the market through the Company's ASX market announcement platform, and already contained on the Company's website.

(4) Noting the increase in the price of AW1's securities and increased trading volumes on Friday, 22 April 2022, does AW1 consider the information contained in the Twitter Post, being commentary regarding 'strong #copper mineralisation encountered in the hole' together with an image of the drill core from WD22-01 to be information that a reasonable person would expect to have a material effect on the price or value of AW1's securities?

No.

(5) If the answer to question 4 is "no" please advise the basis for that view, commenting specifically on the increase in the price and volume of AW1's securities traded on Friday, 22 April 2022.



The information in the Twitter Post had already been released to the market in the Company's ASX release dated 14 February 2022 entitled *Extensive Mineralisation Identified at West Desert*. That ASX release contained detail on the type of mineralisation intersected in WD22-01 and included numerous statements highlighting the strong mineralisation observed in the drill hole including **"Very thick intervals of visual zinc, copper and lead mineralisation have been logged in drill hole WD22-01"**.

As the information in the Twitter Post had already been released to the market through the Company's ASX market announcement platform, American West does not consider that the information contained in the Twitter Post would have a material effect on the price and value of the Company's securities.

We note that London Metal Exchange (LME) zinc recorded an all-time high price on 19 April 2022, and that the Company's West Desert Project has a large zinc resource.

- (6) **If AW1 first became aware of the WD22-01 Mineralisation Information before the release of the WD22-01 Assay Results Announcement, did AW1 make any announcement prior to the release of the WD22-01 Assay Results Announcement, which disclosed the WD22-01 Mineralisation Information? If so, please provide details. If not, please explain why the WD22-01 Mineralisation Information was not released to the market at an earlier time, commenting specifically on when you believe AW1 was obliged to release the WD22-01 Mineralisation Information under Listing Rules 3.1 and 3.1A and what steps AW1 took to ensure that the WD22-01 Mineralisation Information was released promptly and without delay.**

The Company announced details of visual geological logging of the drill core from WD22-01 in the ASX release dated 14 February 2022 entitled *Extensive Mineralisation Identified at West Desert*.

The Company received complete and final raw data on the assays for WD22-01 on Saturday 23 April 2022. This data was sent to American West by American Assay Laboratories in Reno, Nevada.

On receipt of the complete assay data the Company promptly collated and analysed the information so as to prepare a report on assay results for release to the market that was in compliance with the JORC Code (2012). The report was released pre-market open on Tuesday, 26 April 2022 (the Company notes that ASX was closed for trading on Monday, 25 April 2022).

Prior to the assay data being received on Saturday 23 April 2022 and the review of that data by American West's technical team, the Company did not have sufficient information to make a release to the market.

- (7) **At the time of the Twitter Post, was AW1 aware of any information concerning it that had not been announced to the market but was required to be announced pursuant to its continuous disclosure obligations under Listing Rule 3.1?**



No. At the time of the Twitter Post, the Company was not aware of any new information that was required to be announced pursuant to its continuous disclosure obligations under Listing Rule 3.1.

(8) If the answer to question 7 is “yes”, please:

(a) detail that information;

Not Applicable.

(b) explain why that information hadn’t yet been announced to the market under Listing Rule 3.1; and

Not Applicable.

(c) advise when the information was announced to the market.

Not Applicable.

(9) Please explain the basis for publishing the Twitter Post.

The Company, like many other companies in Australia and globally, issues Twitter posts as part of its digital investor engagement strategy.

The Twitter Post issued on 26 April 2022 referred to information that was previously released to the market through the Company’s ASX market announcement platform.

(10) Who prepared and/or provided the content (including the image) of the Twitter Post?

American West provided the content for the Twitter Post. The Company’s external investor relations consultant issued the Twitter Post with approval from the Company.

(11) Who authorised the publication of the Twitter Post?

The Twitter Post was approved by Senior Management of AW1.

(12) Please confirm that AW1 is in compliance with the Listing Rules and, in particular, Listing Rule 3.1

The Company confirms that it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1 (when read in conjunction with Listing Rule 3.1A).



- (13) Please confirm that AW1's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its Board or an officer of AW1 with delegated authority from the Board to respond to ASX on disclosure matters.**

The Company confirms that the responses have been authorised and approved in accordance with the Company's continuous disclosure policy.

Yours sincerely

Sarah Shipway
Company Secretary
American West Metals Limited



ABOUT AMERICAN WEST METALS

AMERICAN WEST METALS LIMITED (ASX: AW1) is a new Australian company focused on growth through the discovery and development of major base metal mineral deposits in Tier 1 jurisdictions of North America. We are a progressive mining company focused on developing mines that have a low-footprint and support the global energy transformation.

Our portfolio of copper and zinc projects include significant existing resource inventories and high-grade mineralisation that can generate robust mining proposals. Core to our approach is our commitment to the ethical extraction and processing of minerals and making a meaningful contribution to the communities where our projects are located.

Led by a highly experienced leadership team, our strategic initiatives lay the foundation for a sustainable business which aims to deliver high-multiplier returns on shareholder investment and economic benefits to all stakeholders.



26 April 2022

Ms Sarah Shipway
Company Secretary
American West Metals Limited

By email: sshipway@aw1group.com

Dear Ms Shipway

American West Metals Limited (“AM1”): ASX Aware Letter

ASX Limited (“ASX”) refers to the following:

- A. The post published on Twitter at 09.04 am Perth time on Friday, 22 April 2022 by AM1’s Twitter account (@AmericanWest_) (“Twitter Post”) which stated the following:

“Photo of core from 545m downhole in drill hole WD22-01, displaying some of the strong #copper mineralisation encountered in the hole. Assay results are due very soon!

\$AW1 #AW1 #AmericanWest #Zinc #Copper #Indium #Silver #USA #Canada #Exploration

[image of a drill core from hole WD22-01]”

- B. The change in the price of AW1’s shares from a closing price of \$0.205 on Thursday, 21 April 2021, to an intra-day high of \$0.265 and a closing price of \$0.25 on Friday, 22 April 2022 and significant increase in the volume of AW1’s securities traded on 22 April 2022 (“Trading Information”).
- C. The pause in trading applied to AW1’s securities at 3:37 pm AEST on 26 April 2022, and the request for trading halt released to the ASX Market Announcement Platform (‘MAP’) at 5:14 pm AEST on 26 April 2022.
- D. AW1’s letter dated 26 April 2022 in response to ASX’s Price Query Letter dated 22 April 2022 released to MAP on 26 April 2022 (‘Price Query Response’), which set out the following:

1. *Is AW1 aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?*

‘On Friday 22 April 2022, American West was not aware of any information concerning the Company that had not been announced and which, if known, may reasonably be regarded as an explanation for recent trading in the Company’s securities.

On Saturday 23 April 2022, final assays for the first drill hole (WD22-01) completed by the Company in the drill program underway at the West Desert Project, were received by American West in Perth from American Assay Laboratories in Reno, Nevada.

The collation of the assay results and final analysis for the first drill hole was then completed by the Company.

A report on these assay results has now been prepared by American West for release to the market on Tuesday, 26 April 2022. American West commenced its inaugural diamond drilling program at the West Desert Project during Q1 2022 with four diamond drill holes completed to date. Drill hole details and visual observations of the drill core were announced to the market in the following ASX Releases by the Company:

- *14 February 2022 Extensive Mineralisation Identified at West Desert*
- *3 March 2022 Strong Copper Intersected in Second Drill Hole – West Desert*
- *15 March 2022 Shallow Mineralisation Intersected at West Desert*

- 11 April 2022 Massive Sulphides in Fourth Drill Hole at West Desert

Each ASX Release contained a detailed explanation of the zinc, copper and other mineralisation identified by visual geological logging and indicated that assays were pending.

A summary of the visual observations for the first three drill holes was also contained in the Company's Quarterly Activities and Cashflow Report released on 4 April 2022.

In that Quarterly Report, the Company advised that laboratory assays were pending and expected early in the June quarter.

The samples for the drill holes completed by American West are being processed by American Assay Laboratories in Reno, Nevada. Final assays for WD22-01, the first drill hole completed by the Company, were received by American West in Perth on Saturday, 23 April 2022.

Assays for the other completed drill holes are still pending.

As at 22 April 2022, the Company did not have information that could have been announced to the market.'

2. If the answer to question 1 is "yes".

- a. Is AW1 relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in AW1's securities would suggest to ASX that such information may have ceased to be confidential and therefore AW1 may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.

'Not Applicable.'

- b. Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).

'Not Applicable.'

- c. If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?

'Not Applicable.'

3. If the answer to question 1 is "no", please advise whether there is any other explanation that AW1 may have for the recent trading in its securities.

'See comments in paragraph (1).'

4. Please confirm that AW1 is complying with the Listing Rules and, in particular, Listing Rule 3.1.

'The Company confirms that it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1 (when read in conjunction with Listing Rule 3.1A).'

5. Please confirm that AW1's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of AW1 with delegated authority from the board to respond to ASX on disclosure matters.

'The Company confirms that its responses to the questions above have been authorised and approved in accordance with the Company's continuous disclosure policy.'

- E. AW1's announcement entitled "Assays Confirm High Grades at West Desert" released to MAP on 26 April 2022, disclosing, amongst other things, 'wide intercepts of high-grade mineralisation for diamond drill hole WD22-01' ('WD22-01 Mineralisation Information') ('WD22-01 Assay Results Announcement').

- F. Listing Rule 15.7 which states:

"An entity must not release information that is for release to the market to any person until it has given the information to ASX and has received an acknowledgment that ASX has released information to the market."

- G. Page 36 of AW1's Continuous Disclosure Policy available on its website, stating:

'Information is posted on the Company's website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.'

- H. Section 1309 of the Corporations Act (Cth) ("Act") which, amongst other things, prohibits an officer or employee of a corporation from giving information to an operator of a financial market, being information which relates to the affairs of a corporation which to the knowledge of that officer or employee is 'false or misleading in a material particular' or 'has omitted from it a matter or things the omission of which renders the information misleading in a material respect'.

- I. Listing Rule 3.1, which requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.

- J. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity"

and section 4.4 in Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B* "When does an entity become aware of information".

- K. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

"3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

- *It would be a breach of a law to disclose the information;*
- *The information concerns an incomplete proposal or negotiation;*
- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and

3.1A.3 A reasonable person would not expect the information to be disclosed."

- L. ASX's policy position on the concept of "confidentiality", which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. In particular, the Guidance Note states that:

"Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule."

Having regard to the above, ASX asks AW1 to respond separately to each of the following questions and requests for information.

1. In its answer to question 1 in the Price Query Response, AW1 stated that: 'On Friday 22 April 2022, American West was not aware of any information concerning the Company that had not been announced and which, if known, may reasonably be regarded as an explanation for recent trading in the Company's securities'. Please explain:

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- a. How the information about the drill core from hole WD22-01 appeared in the Twitter Post? And
 - b. What arrangements does AW1 have in place to ensure compliance with Listing Rule 15.7?
 2. If the current arrangements are inadequate or not being enforced, what additional steps does AW1 intend to take to ensure compliance with Listing Rule 15.7?
 3. Was the Twitter Post made in accordance with AW1's Continuous Disclosure Policy?
 4. Noting the increase in the price of AW1's securities and increased trading volumes on Friday, 22 April 2022, does AW1 consider the information contained in the Twitter Post, being commentary regarding '*strong #copper mineralisation encountered in the hole*' together with an image of the drill core from WD22-01 to be information that a reasonable person would expect to have a material effect on the price or value of AW1's securities?
 5. If the answer to question 4 is "no" please advise the basis for that view, commenting specifically on the increase in price and volume of AW1's securities traded on Friday, 22 April 2022.
 6. If AW1 first became aware of the WD22-01 Mineralisation Information before the release of the WD22-01 Assay Results Announcement, did AW1 make any announcement prior to the release of the WD22-01 Assay Results Announcement which disclosed the WD22-01 Mineralisation Information? If so, please provide details. If not, please explain why the WD22-01 Mineralisation Information was not released to the market at an earlier time, commenting specifically on when you believe AW1 was obliged to release the WD22-01 Mineralisation Information under Listing Rules 3.1 and 3.1A and what steps AW1 took to ensure that the WD22-01 Mineralisation Information was released promptly and without delay.
 7. At the time of the Twitter Post, was AW1 aware of any information concerning it that had not been announced to the market but was required to be announced pursuant to its continuous disclosure obligations under Listing Rule 3.1?
 8. If the answer to question 7 is "yes", please:
 - a. detail that information;
 - b. explain why that information hadn't yet been announced to the market under Listing Rule 3.1; and
 - c. advise when that information was announced to the market.
 9. Please explain the basis for publishing the Twitter Post.
 10. Who prepared and/or provided the content (including the image) of the Twitter Post?
 11. Who authorised the publication of the Twitter Post?
 12. Please confirm that AW1 is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
 13. Please confirm that AW1's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of AW1 with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **2:00 PM AWST Friday, 29 April 2022**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, AW1's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require AW1 to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in AW1's securities under Listing Rule 17.1.

If you wish to request a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We will require the request for the trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in AW1's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to AW1's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B. It should be noted that AW1's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A.

Questions

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

Dale Allen
Manager, Listings Compliance (Perth)